

117TH CONGRESS
1ST SESSION

H. R. 4894

To direct the Secretary of Commerce to establish an alternative metric for measuring the net benefits of economic activity, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2021

Ms. OMAR (for herself, Ms. NEWMAN, Mr. EVANS, Mr. BOWMAN, Ms. JAYAPAL, and Ms. BUSH) introduced the following bill; which was referred to the Committee on Oversight and Reform, and in addition to the Committees on the Budget, Education and Labor, Ways and Means, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of Commerce to establish an alternative metric for measuring the net benefits of economic activity, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the “Genuine Progress Indi-
- 5 cator Act of 2021” or the “GPI Act of 2021”.

1 **SEC. 2. GENUINE PROGRESS INDICATOR.**

2 (a) ESTABLISHMENT.—Not later than 180 days after
3 the date of the enactment of this Act, the Secretary of
4 Commerce (in this Act referred to as the “Secretary”),
5 acting through the Director of the Bureau for Economic
6 Analysis, shall establish a metric to be known as the “gen-
7 uine progress indicator” to measure the economic well-
8 being of households, calculated through adjustments to
9 gross domestic product that account for positive and nega-
10 tive economic, environmental, and social factors that con-
11 tribute to economic activity, including the factors de-
12 scribed in subsection (b).

13 (b) FACTORS.—The genuine progress indicator estab-
14 lished under subsection (a) shall include the following:

- 15 (1) BENEFITS.—With respect to benefits, the
16 total annual economic value of—
17 (A) personal consumption expenditures,
18 net of investments, and defensive spending;
19 (B) the purchase of consumer durables and
20 other household durables used for home im-
21 provement, including appliances, vehicles, and
22 solar panels;
23 (C) publicly provided goods and services;
24 (D) higher education;
25 (E) job skills that are essential to an econ-
26 omy that—

- (i) is self-sufficient; and

(ii) addresses ecological scarcities and directs resources to sustainable development without degrading the environment;

(F) time spent toward leisure activities;

(G) unpaid labor, including—

(i) parenting;

(ii) volunteering; and

(iii) time spent on household duties;

(H) infrastructure, including—

(i) transportation systems;

(ii) communication networks; and

(iii) sewage, water, and electric systems; and

(I) ecosystem services with respect to protected natural areas, including—

(i) flood control;

(ii) water purification;

(iii) pollination of crops;

(iv) control of pests and invasive species;

(v) outdoor recreation;

(vi) hunting and fishing;

(vii) harvesting of plants for medicinal and edible purposes;

(viii) carbon sequestration; and

(ix) maintenance of biological and ge-

netic diversity.

(2) Costs.—With respect to costs, the total an-

nual economic costs of—

(A) income inequality based on household

expenditures;

(B) underemployment and unemployment;

(C) homelessness;

(D) domestic abuse;

(E) violent, property, white-collar, and or-

ganized crime;

(F) water, air, and noise pollution at the

household and national level;

(G) the loss of farmland and productive

soils, including soil quality degradation;

(H) the loss of natural wetlands, primary

forest area, and other at-risk ecosystems;

(I) high amounts of carbon dioxide and

other greenhouse gas emissions:

(J) the depletion of the ozone layer:

(K) the depletion of nonrenewable sources

of energy:

(L) lost leisure time due to traffic congest-

tion; and

(M) accidents involving motor vehicles.

(c) USE OF GENUINE PROGRESS INDICATOR.—Not later than 1 year after the date of the enactment of this Act, the head of each Federal agency, the President, the Chair of the Federal Reserve, and Congress shall, with respect to any budgetary reporting and economic forecasting involving a measure of the net benefits of economic activity, use both the genuine progress indicator established pursuant to subsection (a) and gross domestic product, including—

15 (2) with respect to the President—

1 (4) with respect to Congress—

2 (A) each economic report submitted by the
3 committee established under section 11 of the
4 Employment Act of 1946 (15 U.S.C. 1024);
5 and

6 (B) each tax investigation report developed
7 by the Joint Committee on Taxation pursuant
8 to section 8022 of the Internal Revenue Code of
9 1986.

10 (d) REPORT.—Not later than 1 year after the date
11 of the enactment of this Act, and annually thereafter, the
12 Secretary and the Director of the Congressional Budget
13 Office shall submit to Congress a report on—

14 (1) the development of the genuine progress in-
15 dicator under subsection (a);

16 (2) the cost of such development; and

17 (3) the utility of the genuine progress indicator
18 with respect to measuring the net benefits of eco-
19 nomic activity.

20 (e) FEDERAL AGENCY DEFINED.—The term “Fed-
21 eral agency” has the meaning given that term in section
22 551 of title 5, United States Code.

